

John Boehner  
Chairman  
8th District, Ohio

*House Meets at 10:00 a.m. for Legislative Business*

*Anticipated Floor Action:*

**H.R. 2646—Education Savings Accounts for Public and Private Schools Act**

**H.R. 2247—Amtrak Reform and Privatization Act**



**H.R. 2646—Education Savings Accounts for Public and Private Schools Act**

**Floor Situation:** The House will consider H.R. 2646 as its first order of business today. Yesterday, the Rules Committee granted a modified closed rule providing one hour of debate, equally divided between the chairman and ranking minority member of the Ways & Means Committee. The rule makes in order a committee amendment in the nature of a substitute as base text, and self-executes (*i.e.*, incorporates into the base text upon passage of the rule) an amendment by Mr. Archer described below. It also makes in order one amendment by Mr. Rangel or a designee, debatable for 60 minutes. Finally, the rule provides one motion to recommit, with or without instructions.

**Summary:** H.R. 2646 amends the Internal Revenue Code to (1) expand the acceptable use of tax-free expenditures from education savings accounts (ESAs) to include elementary and secondary school expenses, (2) increase the maximum amount of contributions that may be made to an ESA to \$2,500 per year, and (3) include corporations as parties who are allowed to contribute to an ESA. Current law allows annual ESA deposits of up to \$500 from parents or other family members, and restricts the use of funds only for post-secondary education expenses. The bill also stipulates that any vacation or severance package payment received by an individual, except for severance pay, within two and one-half months after the end of the taxable year (that is, on or around mid-March) is counted as taxable income immediately for the tax year in which the compensation payment is made.

The rule self-executes an amendment by Mr. Archer to make the increase in allowable ESA contributions temporary, until December 31, 2002. The amendment also makes a number of technical and conforming changes to the bill. A CBO cost estimate was unavailable at press time. H.R. 2646 was

introduced by Mr. Archer and Mr. Gingrich and was reported by the Ways & Means Committee by a vote of 19-17 on October 9, 1997.

**Views:** The Republican Leadership strongly supports passage of the bill. The Clinton Administration opposes the bill.

**Amendments:** The rule makes in order the following amendment:

**Mr. Rangel** may offer an amendment, debatable for 60 minutes, to increase the amount of funding that public schools may use to issue bonds for facility improvement projects to \$4 billion in each of FYs 1998 and 1999. Additionally, the amendment expands the permissible uses of bond funding to include new construction projects. *Staff Contacts: John Buckley or Mildeen Worrell, x5-4021*

**Additional Information:** See *Legislative Digest*, Vol. XXVI, #29, October 17, 1997.



## **H.R. 2247—Amtrak Reform and Privatization Act**

**Floor Situation:** The House will consider H.R. 2247 after it completes consideration of H.R. 2646. Yesterday, the House completed general debate and will now begin considering amendments under a modified closed rule providing one hour of general debate, equally divided between the chairman and ranking minority member of the Transportation Committee. The rule makes in order three amendments, debatable in the order listed and for the amount of time specified below. The chairman of the Committee of the Whole may postpone votes and reduce the voting time on a postponed vote to five minutes, provided that it follows a regular 15-minute vote. Finally, the rule provides for one motion to recommit, with or without instructions.

**Summary:** H.R. 2247 authorizes \$3.37 billion over FYs 1998-2000 for Amtrak and thoroughly overhauls Amtrak's authorizing statutes. Key provisions of the bill include: (1) allowing Amtrak to readjust its route system to reflect customer demand and usage; (2) replacing the current board of directors with a new reform board which has the authority to recommend plans to Congress to reform Amtrak and consider recommendations to transfer Amtrak's assets and responsibilities to a private corporation; (3) redeeming Amtrak's non-voting common stock and voting preferred stock and allowing the new reform board to create a new capital structure and stock offering, including an Employee Stock Ownership Plan; (4) creating a Temporary Rail Advisory Council of business experts to evaluate Amtrak's performance and business plan as well as recommend actions to reduce Amtrak's federal subsidies; (5) establishing an accelerated bargaining process on the issues of labor protection and contracting out for work; and (6) setting limits on the tort liability of freight and passenger carriers who operate or provide facilities for rail passenger service in rail passenger accidents. CBO estimates that enactment will result in outlays of \$389 million in FY 1998, \$167 million in FY 1999, \$579 million in FY 2000, \$469 million in FY 2001, and \$75 million in FY 2002. The bill was introduced by Ms. Molinari and was reported by the Transportation Committee by a vote of 36-30.

**Views:** The Republican leadership supports passage of the measure. An official Clinton Administration viewpoint was unavailable at press time.

**Amendments:** The rule makes in order the following three amendments, debatable in the order listed and for the amount of time specified below:

**Mr. LaTourette and Mr. Traficant** will offer an amendment, debatable for 20 minutes, to reinstate current law regarding the issues of contracting out and labor protection. This allows the labor and management to collectively bargain on the issues. Once an agreement is reached, this agreement will be binding on the parties. If there is no agreement, the amendment allows the issues to be presented to a Presidential Emergency Board. Currently, the bill establishes an accelerated bargaining process on the issues of labor protection and contracting out for work. *Staff Contact: Mike Riith (LaTourette), x5-5731; Paul Marcone (Traficant), x5-5261*

**Mr. Quinn** will offer an amendment, debatable for 20 minutes, to state explicitly that the labor reform provisions of the bill apply only to Amtrak and not to freight and transit employees. This prevents any misinterpretation of the bill in the future by the Surface Transportation Board which could adversely affect freight and transit employees. *Staff Contact: Mike Pietkiewicz, x5-3306*

**Mr. Oberstar** will offer an amendment in the nature of a substitute, debatable for 30 minutes. Details on the amendment were unavailable at press time. *Staff Contact: Sante Esposito, x5-4472*

**Additional Information:** See *Legislative Digest*, Vol. XXVI, #29, October 17, 1997.




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